

# EXHIBIT C

1 if I'm wrong, that as a result of the process  
2 that you've described up to now, there was no  
3 general contractor that was hired for this  
4 project; instead, there was construction  
5 management and there were several, I guess I  
6 would call them large subcontracts let to, in  
7 combination to build the school; is that --

8 A. Generally speaking, there was a  
9 separate construction manager; there was no  
10 general contractor. There were multiple  
11 trade contractors who are primes; they have  
12 contracts directly with the school district.

13 Q. Prime was the word I was searching  
14 for.

15 How many primes were there on  
16 Sussex Central?

17 A. I don't remember, but it was about  
18 20.

19 Q. And tell me about your company's  
20 role in soliciting or reviewing bids from  
21 those primes for Sussex Central.

22 A. Well, what we do specifically is  
23 described them in the contract. But what we  
24 do is, in general, we take the documents from

1 the architects and engineers, put the  
2 documents out to bid using the public bid  
3 process, open the bids publicly and then  
4 recommend award of contracts to the owner.

5 Before we recommend an award we  
6 have a bid review meeting. There are  
7 limitations of what you can do in a bid  
8 review meeting when you're doing public work  
9 because you're basically required to take the  
10 low bidder. If the low bidder can  
11 demonstrate that he has a history of doing  
12 the kind of work that he's bidding on and he  
13 can provide a bond and if he can do those two  
14 things and there's no reason for him not to  
15 be awarded the contract because of  
16 nonperformance in the past, then he gets the  
17 job.

18 Q. Now, let's talk about the mechanical  
19 contract, the mechanical prime contract here.

20 Do you recall how many  
21 qualified contractors bid for that piece of  
22 the Sussex Central project?

23 A. I don't.

24 Q. McDaniel Plumbing & Heating was

1 ultimately awarded the prime contract for  
2 mechanical work on Sussex Central; is that  
3 correct?

4 A. That's correct.

5 Q. Now, the bid review meeting, you've  
6 told me a little bit about that and you've  
7 told me about there being certain limitations  
8 because of this being a public works  
9 project. But within those limitations, what  
10 took place at the bid review meeting for the  
11 mechanical prime contractor?

12 A. I don't know.

13 Q. Were you at it?

14 A. No. I don't even know if we had one  
15 to be honest with you.

16 Q. Okay. What was your personal role  
17 in the Sussex Central project at the outset?

18 You signed the contract,  
19 correct?

20 A. Yes.

21 Q. Did you put together the proposal?

22 A. Part of the presentation, yes.

23 Q. How many other people -- you were  
24 the president of the company at the time.